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SPEECH OF HON. JNO. SHERMAN, At Delaware, O., Sept. 3, 1870.

I confess, fellow-citizens, I enter upon this political canvass rather lazily. We have had a long and wearisome session of Congress, where talk flowed in an interrupted stream. The heat was sometimes more stifling than in any harvest field in Ohio. In the Senate we have no way to stop debate, except to wear out the longest talker of them all—and sometimes it required all night for this. You can imagine how charming a change it was from those heated sessions to the country air of Ohio and to the freedom of social life at home. I was, therefore, glad that the Republican Committee, charged with the management of this canvass, left us to rest awhile, and it is now in obedience to their request that I as one of your public agents, come here to discuss the political questions of the day.

I congratulate you on the fact that those questions are comparatively unimportant. It is true they affect the material interests of forty-two millions of people, but they do not involve our national existence or fundamental principles, like those that have occupied us for more than fifteen years. The slavery question excited the deep, strong and impassioned interest of us all. The war involved the lives of millions of our people, moving them to extraordinary activity and bringing into our political contests the passions inseparable from war. The question of reorganization affected rights of States, or large masses of our citizens. Now slavery is abolished, the war is over, and all the States are in their proper sphere—a part of a great and powerful nation.

We still have some vestiges of the war in lawless violence in the South—but, considering the magnitude of the contest, no war ever ended more happily, or, in its general results, has been more beneficial to both friend and foe. It is quite natural for people after the long excitement of such a struggle to hold their arms, and let politics and elections go as they will. But in a government like ours, where everything depends upon the popular judgment, we can take but little rest. New questions arise or old questions are revived, and if these fail, you have still at your annual elections to pass judgment on the official conduct of your public agents.

Now it so happens that nearly all the questions in which you take an interest were debated and acted upon by Congress, at its last session, and the principal interest of this election turns upon the election of members of the House of Representatives.

THE DEMOCRATIC PARTY REVIEWED.

One would suppose that if a Democratic member of Congress, who was himself a candidate for re-election, should appear before you to make a speech, he would either discuss the policy of his party on the most trying times, or he would arraign the measures adopted by the Republican party, or he would present some grave question for your judgment, and connect it in some way with the approaching election.

I have always regarded General Morgan as one of the most respectable and astute members of the Democratic party, and hoped and expected that I would find in his carefully prepared speech here the

other day a text of a candid and intelligent discussion of the past and present issues between the great parties of the country; but with commendable prudence, which proves his sagacity, he says not one word in defense of the Democratic party for the last fifteen years.

Now before I refer to what General Morgan does say, I time recite to you the state of affairs in December last. The Republican policy of reconstruction was then practically settled by the election of General Grant. It only remained for the rebel States, ere by one, to conform to the law and be restored to full representation in Congress.

This has now been done, and, at the next session, every one will be filled and every State represented. No rebel has been deprived of his life, his liberty or his property since the war closed, by reason of his rebellion, however cruel and barbarous may have been his conduct; and no civil or political disability whatever now rests upon any rebel by the laws of the United States, except that a few who committed perjury at the outset of the war can not now hold an office of honor, trust or profit in the United States without the consent of two-thirds of Congress. We may have to pay the penalty of this great liberality. It is certainly unexampled in the history of mankind, and could only have been adopted by a liberal party in a republican government. Now, in this whole process of reconstruction, the Republican party was guided by a generous and liberal spirit, taking its steps slowly and surely in harmony with the people. Their work now rests upon an enduring principle. The Constitution is now in harmony with the Declaration of Independence.

No fair man, however strongly prejudiced against the Republican party, can truly say that this party has not been able, faithful and successful in the administration of this government. I do not wish to speak as a partisan, but it is just to the Republican party to recall their steady success, and their steady support by the people. In every stage they have been opposed by the Democratic party—the same party that now asks you to trust them with political power. How strange now seems the position taken at different times by the Democratic party. It was this party that quailed up the slavery question by the repeal of the Missouri compromise, and with the avowed purpose of extending slavery.

It was this party that supported the trials and crimes by which slavery was to be established in Kansas. It was this party that elected James Buchanan, whose imbecility made the war inevitable. It did not care now to dwell upon the course of the Democratic party during the war, for all these matters are too fresh for intelligent men like you to forget. The policy of the Democratic party after the war was even more injurious than during the war, for it aimed to destroy all the natural results of the war. Their policy was to restore the rebels as nearly as possible to their former dominance, and to restore the emancipated slaves as near as possible to slavery again. They have taken no political position since the war that did not look to the restoration of the old pro-slavery order of

things. They uniformly opposed every measure for the security of loyal people, white or black, and when sagacious men among them have appealed to the party to acknowledge accomplished facts, and take a new departure, the controlling sentiment of the party rejected such counsels. But in spite of their opposition in peace and in war, the Republican party have settled beyond question the liberty of all citizens, the equal rights of all citizens, and the strength and power of the Government to deal with all its enemies. We are now in that happy condition where we have only to deal with the minor topics of peaceful times.

Now, I ask you, fellow citizens, is this not something to begin with? Did General Morgan give us credit for all these great results? It is very clever in him to charge us with the sins of Johnson's administration, but he might have given us some credit for the past. But I meet him on his own ground. I am willing to take the administration of General Grant, and the action of the present Congress as a part of it, and stand or fall by the judgment of the people on that. Let us take the first year of Grant's administration and compare it with the last year of Johnson's and how does the record stand?

From March 1st, 1868, to March 1st, 1869, this official statement shows that Johnson expended, \$556,131,447
From March 1st, 1869, to March 1st, 1870, Grant expended, \$293,633,794
Showing a reduction of expenditures of.....\$61,497,653

And this reduction has been going on ever since.

If you take from this expenditure that which grew out of the war as the interest of the debt and the pensions, the civil expenses are less in proportion to our population than during the year of Buchanan's administration.

The whole expenses, including army and navy, and extending the public debt, pension list, and other matters growing out of the war, were \$80,882,935 in currency.

Again, take the collection of revenue in the same years. The taxes and the rates of them were precisely the same; but from March 1, 1868, to March 1, 1869, the receipts were \$156,138,168, and from March 1, 1869, to March 1, 1870, the receipts were \$175,467,141, showing an increase by the honest collection of taxes of \$19,328,973, and mostly in the luxuries of whisky and tobacco. This increase is still going on, so that in the first eighteen months of Grant's administration, we are able to increase the yield of internal taxes alone, over thirty millions, without increasing a single tax.

Again—take the reduction of the public debt. In the last year of Johnson's administration, the public debt was reduced \$5,959,718. In the first year of Grant's administration it was reduced \$87,131,782—or a difference in one year of over \$81,000,000. In eighteen months of Grant's administration, without the increase of one dollar in the rate of taxation, the debt has been reduced over one hundred and sixty millions of dollars; and is now less than \$2,360,000,000, including greenbacks, fractional notes, and every form of debt.

Again—Look at the national taxes. Since the war we have gradually and cautiously reduced our internal taxes—but under Grant's administration we were able, under the present careful management of our treasurers, to reduce taxes by wholesale. At the last session we repealed the mass of these taxes—amounting according to an official statement I have just received to \$55,232,000 internal taxes, and \$26,000,000 tariff duties, or over \$81,000,000 in all. After this year there will be no internal taxes levied by the United States, except on whisky, tobacco, stamps and income; and the income and stamp tax is largely reduced. Now is not this doing well?

How does Gen. Morgan meet these plain and simple facts, known to him very well, and shown in these official papers? We will see after while.

But one point in passing. He assumes with a lofty indifference of parties and of Presidents that he is not responsible for President Johnson. He did not vote for him, and, as I will show, he actually charges him with an impeachable offense. But if Morgan is not responsible for Johnson, what shall we say of our friend Hubbell? He is the Democratic candidate in our district. He not only voted for Johnson, but followed him into the Democratic party, and left his old

friends of the Republican party, who had been true, and kind, and partial to him, in order to emphasize his devotion to Johnson.

But let us go back. What were the leading questions of the last session of Congress? What were the objects you wished accomplished? One was the reduction of the interest of the public debt, so as to lessen its burden; another was to give to the West its fair share of the paper money of the country; another was the reduction of taxation; another was rigid economy in public expenditures. Did Gen. Morgan enlighten you on any of these questions? Did he tell you how the Democratic party resisted the Funding bill, in order that the very weight of the debt might lead you to justify measures tending to impair the public credit? Did he ever discuss the question as to how or when the public debt should be paid? I see nothing of this in his speech, though it was one on which there was much debate and anxious consideration. So with the Currency bill. When, under the existing law, the East got a great advantage over the West and South in the organization of National Banks, the Democratic party made the greatest clamor over it. It was the chief point of Gov. Seymour's speeches in 1868, when he took the stump for himself as President. Though all this arose out of an error of construction by Secretary McCulloch and Comptroller Clark, yet when an opportunity to correct it was offered, Gen. Morgan and his political associates were found voting against the bill. So with the reduction of taxes. We were ready to, and did, as I have shown, throw off eighty-one millions of dollars of taxes. There was much debate and controversy as to what taxes should be repealed—as to how the tariff was to be altered. Here was a place where Gen. Morgan could have told you whether he was for free trade or a revenue tariff, or whether there is any difference on this question between Beatty and Hubbell. But upon this point he was as silent as an oyster. And so I am bound to say, on all these questions of practical politics now in issue, upon which the people engaged in every day pursuits naturally want and are seeking information, General Morgan did not present the questions involved in this election, but only gave you dry husks, or scattered and immaterial statements easily collected and put together as to any administration by one far less able to engage in political debate than he is.

Let us see. He tells you, but not for the first time, how good and virtuous you, the people, are or ought to be—and that you alone, of all the world have free institutions; and that the good of your country is of more importance than the success of any party. Admitted. He tells you the people demand reform, and the highest evidence of it is, that the Democratic party had nominated James R. Hubbell—a lifelong Whig and Republican. If to secure reform, they must take a Republican, why not take a good one? Well, I suppose they nominated Hubbell in the hope that he would get a few Republican votes here in Delaware.

The next great truth he tells us is that the Republican party lives only in name. If so, where does the Democratic party live? It is in the graves of Pierce and Buchanan, and a dishonored record.

Differences exist among Republicans, he says. True, and I trust independent opinion will always exist in our party. We can not be voted from a tally list like New York city. And then he tells us what the Democrats will do when restored to power. His promises are not very definite, but they are enough. Political promises are very cheap by minorities. We judge a tree by its fruits—a party by its acts.

When the devil was sick,
The devil a monk would be,
When the devil got well,
The devil a monk was he.

He then undertakes to tell us what becomes of the money of the people—and the highest and only evidence of the awful atrocity of the Republican party was the fact quoted with much detail from the report of the Auditor of Ohio, that in 1869 our State taxes amounted to the enormous sum of \$22,232,877, while in 1860 they only amounted to \$10,817,676, an increase of \$11,415,201. Is it not strange, fellow citizens, that he

forgot to tell you that in 1860 we had a Republican Legislature, and that every dollar of the \$22,232,877, collected in 1869, was voted by a Democratic Legislature in both Houses—the same Legislature that elected my colleague, Judge Thurman, to the Senate of the United States? This, certainly, is a striking illustration of what will become of the taxes paid by the people, if you are ever so unwise as to elect a Democratic Legislature again.

GRANT'S ADMINISTRATION.

And then General Morgan arraigns General Grant personally as being influenced by bribery and nepotism. Now, a good deal has been said about General Grant appointing his relatives to office, but I affirm that with two or three exceptions of minor offices attached to his person, Gen. Grant has been as free from this as any President for fifty years. I do not deem it necessary to reply to the comparison of Gen. Grant to Whittemore. No man can truly question the integrity of the President. In kingly governments the crown rewards great services by royal gifts. In a republican government the people feel at liberty to do the same. We all voted for General Grant as a just recognition for his great services, but Republicans do not consider themselves, therefore, as ineligible to hold office under him. Wealthy citizens of the East, long before Grant was a candidate for President, chose to show their appreciation of his services by a large gift freely and voluntarily bestowed. There is no instance whatever where any impartial man can say that there is the slightest evidence that these voluntary offerings of private citizens led to the appointment of any one of them.

Now the error of Gen. Grant in appointments, if he has committed any, is in regarding political experience as the ground for exclusion from office. Nearly all his chief appointments have been of a non-partisan character. He announced this as his purpose in his inaugural, he started it in the formation of his Cabinet, and he has adhered to it since. It has been usual for the President to surround himself with leading influential representatives of his party, and to call their secret counsels a *policy*, and then by executive influence and patronage to enforce that upon the people and Congress. Gen. Grant refuses to do this, whether wisely or not, but has selected his Secretaries with a view to the honest and faithful performance of their executive duties. For this reason he named such a man as A. T. Stewart, of New York, as Secretary of the Treasury, and others of like character, who certainly brought no political influence to his aid. And this effort to avoid partisan counsels has been the foundation of the base personal innuendoes and attacks that have been made upon General Grant.

Now what else does General Morgan say? He tells you that it is a notorious fact that each of General Grant's Cabinet officers and heads of bureaus keeps a carriage and horses, coachman and footman, all paid for with the people's taxes and without authority of law. Now, it is a fact that for twenty years and more, far back into Democratic times, there has been regularly attached to each of the chief executive offices, a one horse carryall, which has been used by the head of the department or bureau to carry the mail, and if needed, to expedite him over that city of magnificent distances. These have been regularly appropriated for every year by Congress, and each House of Congress has several of them. As for the coachman and footman, consider them as included in one negro messenger, who attends the door and runs errands, and you have the whole of this magnificent array. There is a great deal of humbug, fellow-citizens, in this kind of demagogism, and it is a compliment to the Republican party that my friend Morgan, in his grand opening speech, can find nothing else to arraign us for than that we have not yet corrected all the abuses of Democratic times. But I promise you I will call the attention of Dawes to this matter, and he and Morgan—one on each side—can see to it that these Cabinet officers shall walk to Cabinet councils, and not ride, except at their own expense.

My own opinion is that these officers are inadequately paid. Their salary was fixed long before the war; their tenure is very uncertain; they are compelled by public opinion and the people themselves to

receive a great many visitors. True economy would be consulted by giving them a salary amply sufficient to support a family in liberal style, and to hire or buy a suitable carriage and horses, without resorting to the Government carryall. General Morgan is behind the times. He underestimates the intelligence of the people when he resorts to such stuff to impugn the integrity of Gov. Cox and his associates.

But he says these Cabinet officers take money from the Treasury without an appropriation by law, and that they pay without authority of law higher salaries than are provided by law. Now this is simply impossible. The Comptrollers, Auditors, and the old watch dog, Spinner, would not allow a dollar to be taken except by authority of law. In this they are entirely independent of the President and Cabinet officers. The cases he parades where certain clerks were allowed extra compensation, were expressly provided for by law, and the law was acted upon by Chase, Fessenden and McCulloch, as well as Boutwell. But he says that in four years these Secretaries paid \$78,397 to Adams Express Company for carrying the forms upon which notes and bonds are printed, when they could have been sent through the mail for one hundredth part of the cost. Well, if they had sent these precious papers, upon the custody of which rests our chief security against counterfeiting, through the mails, they should have been sent to the lunatic asylum. He says we have paid \$1,167,000 since 1862 for printing bonds and notes. Could it have been done for less? Does he say it could? The truth is, no operation of the Government is more delicate and dangerous, and none has been more successful in safety, cheapness and security than the preparation and issue of the vast aggregate of paper securities issued by the Government in the aggregate of over \$10,000,000,000.

WHO ARE THE RASCALS.

He closes this part of his speech by these words: "And in this connection let me ask, why have not the National Banks been required to pay for the paper, engraving, and printing of their own notes, instead of your being taxed for that purpose?"

Alas! poor Yorick. The National Banks have been bitterly complaining that we not only made them pay for their own notes, but that we have made them pay ten times the cost. The truth is that we make them pay, not as a part of their internal taxes, but for the very purpose of paying this expense, one per cent, annually on the amount of their circulation, or three million of dollars per year; so that in this way the National Banks have paid into the Treasury four times the cost of preparing all the bonds and notes issued by the United States since the war commenced; and this goes to swell the general revenue and lessen your taxes. Now, did General Morgan know this fact?

But now comes a terrible sensation. Three hundred and forty internal revenue defaulters. He says, "when I tell you that there have been three hundred and forty defaulters among the collectors of internal revenue, you look surprised, and ask one another 'why have not we been told of this before.' For the simple reason, my friends, because the facts had been concealed, and had to be dug out." Now this is an interesting picture, three hundred and forty defaulters, rascals, thieves, and as many more rascals in the Treasury Department, including Secretary Boutwell, Commissioner Delano, Comptroller Taylor, and such like, covering up, hiding, concealing this rascality, and then comes our friend, Gen. Morgan, the virtuous, the incorruptible miner into rascality, digging up, yes, digging up this mass of corruption. Yes, I dug it up, I, General Morgan. And to strengthen his assertion he gives names; and among them Frank Soule and Sheridan Shook, familiar names in Johnson's time—champions of the whisky ring—good Democrats.

Now while you look surprised, I can hardly imagine how McCulloch and Rollins, Boutwell and Delano, Stanbery, Evarts and Hoar looked, if ever they read this. They are honorable men, bound to prevent rascality, and don't like to be shook in the same bag with Sheridan Shook. And what must be the feeling of the 340 collectors, including nearly every man who formerly held that office. They are branded as deeply as General Morgan can brand

them. What is the basis of this wholesale charge? It is true that during the close of Johnson's administration the Internal Revenue service became demoralized. I am not here as the defender of the collectors; Hubbell ought to be that. Several of the leading officers openly used their offices to promote the policy of Andrew Johnson. Most of these named by Morgan are shining lights of this faction. Some few, perhaps ten in all, became defaulters.

The rest are not now and never were so. Under the revenue laws all assessments, of whatever character, whether legal or illegal, whether excessive or not, and whether collectable or not, are charged on the books of the Treasury to the collector. He can only acquit himself by paying over the amount in money, or in the final settlement of his account, showing what could not be collected. His mere current vouchers, though sworn to, are not sufficient. They are received as his statement of current account, but are not audited until his account can be examined by auditors and controllers, and passed through all the machinery provided to settle accounts. Now the simple explanation of the matter that Gen. Morgan dug into is that the accounts in the treasury showed to the debit of these collectors large balances of uncollected and uncollectable assessments, which in nine cases out of ten were turned over to their successors, or were insolvent. The vouchers to settle these accounts may be, and no doubt are, on file, and in due course the balance, if any, will be adjusted and paid. Now, it is just as cruel and hard to call these men rascals and defaulters, as it would be to call you a rascal because a merchant had you charged with an account that you had paid. In the same way any disbursing officer of the army, any paymaster, quartermaster or captain, might be arraigned as a defaulter, if his property accounts were not yet closed. I can not but think that General Morgan has, in his wholesale slander of public officers, merely for a political sensation, done injustice to himself and his character for fairness and candor.

THE PARTY THAT MORGAN SHOULD DEFEND.

The next point made by General Morgan, I must respectfully turn over to Mr. Hubbell. It was order No. 75, which it seems the venerable and veritable (Gideon) Welles, as Secretary of the Navy under President Johnson, issued in May, 1866, and by which, as Morgan alleges, he unlawfully and unconstitutionally raised the pay of the navy. Now, if this is true as stated, it was an impeachable offense of the highest grade, and the fault was, that brother Hubbell, then our Representative, did not have both Johnson and Welles impeached for high crimes and misdemeanors. Upon Morgan's showing it is a clear case, and I call upon Hubbell either to defend his chief, whose banner he followed from our ranks, or to explain his neglect of duty. I think I could help him a little by a very simple explanation, but I will not dim his laurels by slandering them. Certain it is that the Republican party at the last session corrected the matter by defining and reducing the pay of the navy.

This question of the application of public money by executive officers, without authority of law, is one of the most important in our system of government, and one on which the action of the Republican party is most creditable. I remember that during the first session of Congress, in which I served in 1866, the attention of the country was called to the misapplication of public money to support and enforce the bogus laws of the border ruffians in Kansas. The Republican party tried to prevent it by an amendment to an appropriation bill, but the Democratic Senate refused, and Congress was held until late in September on this issue. Finally the bill passed without the proviso, but with no appropriation at all for the Kansas Legislature. Then it was that Pierce's Administration, in plain disregard of law, transferred other funds and used them to pay Achi on's note of Missourians. This called my attention to this subject, and I found it was a common practice to lap over and transfer appropriations from one object to another, and thus entirely defeat the constitutional power of Congress over appropriations. I tried over and over again to

correct these abuses, but a Democratic Senate stood in the way. During the war it was essential to continue this power as to the army and navy, but Congress limited the power to these two departments. Since the war, upon my motion, and mainly in consequence of Welles' order, the transfer of appropriations was prohibited in all cases—and it was by this provision of law, inserted in 1868, that Admiral Porter was brought up with a short turn last year, when he undertook by the transfer of appropriations to improvise a new navy. We were asked last winter by the Secretary of the Navy to authorize the transfer, but this was refused by Congress.

There is another mode in which the power of Congress to limit expenditures has been evaded time out of mind, and that is by using unexpended balances of old appropriations. This is a lapping game. The routine officers of the departments always insisted that they could not get along without this practice, though it led to scandalous abuses. Well, at the last session, Congress, on my motion, prohibited appropriation made for one year to be used in any subsequent year, except to pay old expenses actually contracted but not paid. This and the law of 1868 cuts up at the roots these abuses, and leaves the Executive Department to expend only the actual sums appropriated for specific purposes and within a given year. Now this important reform has been made without the aid of General Morgan or his associates, and has been applied by a Republican Congress to a Republican administration. Why could not Gen. Morgan inform you of this when he talked of order No. 75? If he is in earnest about reform, he will be gratified to know that this reform is an accomplished fact.

NEW ENGLAND.

The balances of Gen. Morgan's speech is the old arrangement of New England. It contains some truths and many errors. It is true that Massachusetts is careful of her local interest. It is true that she stuck to her fishing bounties until a Republican Congress repealed them. It is true she has a ready facility to gather up old claims and get them paid. General Morgan is very unfortunate in citing this as an instance of Massachusetts' greediness. According to his own showing, two of these claims were paid by Democratic Congresses, and the only opposition to the list in the Senate was made by Republican Senators. It was a claim for interest for advances made to the United States during the war of 1812, and it was settled on the precise rule applied to every other State. I thought the rule a wrong one, but not a single Democratic Senator agreed with me, and but few Republicans. General Morgan is now rather late in coming to the rescue. It passed the House of Representatives several times. They did not hear from him there. Why did he not show his opposition to the opposition of General Strong in the war of 1812, and the spoorphat blue lights at Connecticut, the only Democratic New England State?

But it is not true that Massachusetts is unlike any other State in a selfishness to her local interests. Ohio protects her local interests with as much industry and ability as any other State, and perhaps I may say as not less industrial in the Government of the nation than any other State. It is not true that the tariff or Revenue laws in any respect favor the interest of New England to the detriment of other States, or that her voice is more potent than other sections. This is the state residuum of old politics, when there were no powers but South Carolina and Massachusetts. He forgets that it is near forty years since Webster and Hayne debated all this. No longer need the mighty West, with its increasing power, whine about the influence of other sections. She has but to stretch forth her hand to take, to dictate, and to govern. General Morgan and I are both Western men, and could not be so crumbly when we have the power in our own hands. The empire of this nation rests now firm in the Mississippi valley.

As for the war in Ohio have to pay more than our own share of taxes, because in Ohio there is collected 10,000,000 internal taxes and nearly a million whiskey. If this reasoning be true, then we pay scarcely any custom duties. New York pays nearly all. Her reasoning is fallacious. Moreover, consumers of

whisky pay the duty, and all the States and all the sections share in the payment of the taxes to the precise extent they consume the articles taxed. Consumption depends upon the distribution of wealth and population, and increases precisely as wealth and population increase.

Now, fellow citizens, I have gone over this speech without any wish to evade any point made, with nothing but hearty kindness for General Morgan, and I submit to you if this is all that is left of American politics. Has the Republican party so administered the affairs of the Government that these only are the points of arraignment? Has the Democratic party, having been beaten in every great issue, nothing left to say for itself except this gossip of the Capitol, these threadbare remnants of Johnson's administration? If so, would it not be wiser and better to leave the ship of State under the old pilot to meet now in a calm and undisturbed sea such waves as may arise, to confide in Gen. Grant and the men he has about him, to execute the pledges he made in his inaugural, and to keep as your Representative in Congress one who has not disappointed you, or deserted you, or betrayed your trust, but who with honest manliness has met every question as it rose, never dodging, and now gives you, as security for the future, an unblemished character and an honorable record.

LAND GRANTS.

And now, fellow-citizens, let us look for awhile at a few questions that naturally give rise to a difference of opinion. Both the Republican and Democratic parties in Ohio have recently proclaimed in State Conventions their opposition to further grants of public lands to railroad companies. As one of your agents, I will feel bound by this decision, and will vote for no further grant of lands to railroads, except that I shall feel bound to give to Southern Pacific Railroad the same grants of land that have been given to the Northern and Central roads. We ought not in justice to adopt a new policy that will prevent the South from enjoying equal facilities for trans-continental railroads. Since 1862 I have usually voted for railroad grants, but in a question of this kind I will cheerfully obey the general voice of the people of Ohio. But I feel bound to correct some of the errors into which some of our Democratic friends have fallen as to the land grant system. It had its origin with Mr. Douglass in the grant to the Illinois Central Railroad. It was in full force long before the Republican party existed. The most numerous grants ever made were made by the Thirty-fifth Congress, which was Democratic in all its branches. The largest grant ever made was made to the Union Pacific and Northern Pacific Railroads, in 1862 and 1864, and was voted for, I think, by every Democratic member of Congress. It was a policy universally approved and adopted by the West without distinction of party.

It is said that this policy was a waste of public revenue. Not so; the reserved alternate sections were doubled in price and then sold more rapidly than before. The actual money revenue was increased. The advantages of the system were in the rapid development of the West and increased facilities of transportation. Many advantages have grown out of the much abused land grant system. But the reason why I readily acquiesce in the suspension of these grants is that it will enable us to carry out the favorite policy of the Republican party—the homestead law. Let us adopt this principle, that hereafter no public land shall be given away or sold to any one except to a pre-emptor or settler under the homestead law. This will lead to the full execution of the homestead law, and is the only correct basis of a permanent policy. Let the land go to those only who will settle upon, improve and cultivate it, and thus the nation at large will gain a greater benefit than it can get by any gift to railroads or sale to speculators.

THE TARIFF.

Again, a great deal is said among all parties about a protective tariff and a revenue tariff. The last National Democratic Convention, in 1863, declared for "a tariff for revenue upon foreign imports, and such equal taxation under the Internal Revenue laws as

will afford incidental protection to domestic manufactures, and as will, without impairing the revenue, impose the least burden upon and promote and encourage the great industrial interests of the country."

The substance of the recent Republican platform at Columbus is for a revenue tariff with incidental protection. The substance of the recent Democratic State platform is for a revenue tariff, with all the necessities of life free. Now if all the necessities of life are free, the revenue part of a tariff would not be enough for a good Democratic treat. If sugar, tea, coffee, brandy and gin are necessities, I don't see what the luxuries are, unless they are the silks of the ladies, and we have the duty now as high on silk as the ladies will submit to. It is not, fellow citizens, by such general phrases you can deal with a practical question like this. It has been the bone of contention since the beginning of the Government. There are a few simple propositions that we can agree upon, and they settle nearly all the principles upon which a tariff in the present condition of our finances can be based. The primary principle—which governs all the others—is that we must raise revenue enough by a tariff on imported goods to pay the interest of our debt, one per cent. annually of the principal, and the expenses of our foreign intercourse.

This cannot be less than 160 millions a year until the Funding bill gradually reduces it. We know that year in and year out our importations of foreign goods are about 400 millions of dollars, exclusive of the flow of gold, which from its use is not taxable. Now a uniform rate of 40 per cent. on all articles would produce the 160 millions which we must raise. Everybody admits that we ought not to levy the same rate of duty on all articles imported, and here is the rub. Political theories, sectional interests and demagogism add to our difficulties in making the distribution. Let us lay these aside, and see if we can agree a little further. Let us divide our importations into classes according to their nature and use, and fix the rate of duty afterward. A great multitude of articles are too trifling in amount to make it worth while to tax them. Certain medicines of tropical production are indispensable to health. Certain dyes are of universal use, like logwood, where the chief cost is the trouble of preparing them for use. Certain raw articles are the basis of domestic industry but of little value in themselves—all these we can agree ought to pay no duty. This is class No. 1. We can, perhaps, agree that other articles, which we can not produce in this country, are of such universal use and necessity—such as sugar, tea, coffee, spices—that the duty should be as low as possible consistent with the wants of the Government. But these articles, from their being so universally used, are the most fruitful sources of revenue—yielding us last year \$60,000,000—and if we take the taxes off of these articles we must make up in others. This is class No. 2. Up to this point the only question is one of revenue. We come now to the great mass of articles of prime necessity, which are produced not only in foreign countries but in our own country. Now, any tax you put upon such an imported article is to the extent of the tax a protection to the domestic article. It is not strange, but is in accordance with the universal law of selfishness, that every domestic producer wants the duty as high as possible on the foreign article that competes with him, and as low on everything else. If you put a lower rate of duty than the average of 40 per cent. on the foreign producer you discriminate against the home producer to his injury. If you put a higher duty than 40 per cent. on a foreign article you discriminate in favor of the home producer. This class includes the manufacturers of iron, steel and cotton, all the multiplied objects of modern commerce, also coal, salt, and such natural gifts, whose chief value is in the labor of mining and transportation. This is class No. 3, and, with class No. 2, is the basis of our revenue. There are also a number of articles of luxury, but as their use is confined to a few the revenue is not so great. This I call class No. 4, and includes spirits, wines, cigars, silks, satins and the like. We will agree that these ought to be taxed the rate that will produce the most revenue. Unfortunately, some of them are of a character to be

easily smuggled—such as jewelry, diamonds, and the like, and too high a duty leads to the loss of revenue; while upon others, like brandy and cigars, we levy the highest rates of duty. Now, fellow-citizens, the chief trouble with the present tariff is in the inequality of class No. 3. Some of them are confessedly too high, and some too low. It was upon this rock the general tariff bill broke down in the House. It was a struggle of local interests, and not of party politics. What we wanted to do was to reduce taxes. What we did do finally was to enlarge the free list, or class No. 1, to largely reduce the taxes on class No. 2, to change some *ad valorem* duties in class No. 3 to specific duties of about the same amount, and to somewhat increase the duties on wines. It was not all we might have done, but it was in the right direction.

Now, fellow citizens, apply the Democratic theory to this subject, and how would it leave you? Class No. 1, the free list, they would enlarge, because they are all necessities of life. Class No. 2 they would make full, because they are all necessities of life. There goes sixty millions. Class No. 4 we have already got as high as it will bear. How then can they raise the necessary revenue? Only by increasing the duties on class No. 3, or by reducing taxation and then raising again the ghost of repudiation. I believe before God the last would be the alternative of the Democratic leaders.

Now if I have anything to do with framing the next tariff bill, I would adopt specific duties in every possible case, equal in result to the average *ad valorem* revenue duty demanded by the wants of the Government, and I would apply this rule to all the articles of class No. 3, and make exceptions only when the nature of the article demanded a higher or a lower duty. I would take off the duty from class No. 2, and enlarge the free list only to the extent that I could swell the revenue above the average on class No. 4. Such a tariff framed by practical men would have some chance for stability. It might be lowered or raised by a uniform percentage as our finances justify, or as our importations increased or diminished. It would give to our domestic industry that steady support, protection and encouragement without which we can not compete with the cheaper capital and labor of Europe—and would remove a purely business question from the arena of party politics. You might call such a tariff a revenue tariff, or a protective tariff, or a tariff with incidental protection. "You pay your money and you take your choice." It would produce revenue, and protection is an inevitable incident. The course of the Democratic party on the question is full of absurdities and inconsistencies. They want a revenue tariff, and yet they would repeal the purely

revenue duties on tea, coffee and sugar. They want low duties on iron, cotton and woolen goods, and yet they would enlarge the free list so as to make this impossible. But their absurdities culminated at the close of the last session. They have for years been declaiming against our navigation laws, by which foreign built ships are absolutely prohibited from American registry. When the war broke out between Germany and France, the President recommended and Congress was prepared to admit the great ocean steamers duty free. This rare chance to acquire a navy by the misfortune of other nations, this opportunity to repair the loss of our commercial marine during our war, was defeated for the time by Mr. Brooks of the House, and Mr. Bayard of the Senate, both leading Democrats, by talking until the session closed.

OTHER QUESTIONS

There are many other topics now entering upon American politics which demand the considerate attention of the American people. We have to think of Chinese immigration, of the duty of our country in the great struggle between Germany and France, of our claims against Great Britain, of the labor question in its diversified forms, of the financial questions to which I could only refer, of the Indian question, one of the most interesting of our politics, and many others of like character. Your time will not allow me to discuss them. I can only say in conclusion that each of them has received the considerate attention of the President and of Congress. We have, as far as law can do it, broken up the coolie system. We have maintained our foreign relations with dignity and honor. Unlike Great Britain, we have honestly maintained and enforced the neutrality we proclaim. We have developed the labor and industry of all sections of the country and have maintained peace on our Indian frontier by doing justice to the Indians. Look on this great country of ours, the heart of a continent teeming with busy life, embracing all latitudes, tolerating all religions, educating all children, dealing by an equal and invariable rule with all men, with the favors of heaven resting upon us, with fruitful crops, no famine, no pestilence, no king, no privileged orders, the road to fortune and to fame open equally to all, free institutions, laws of your own making, administered by the great party that guided you through the wilderness, and by the same soldiers who fought your battles, and carried your flag with victory. It is for you, fellow-citizens, to say whether it is not better to rest content with all these blessings, than to yield to a reaction full of danger, and merely to again place in office those who, when you trusted them, betrayed you.

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